

OFFICIAL GAZETTE



GOVERNMENT OF GOA, DAMAN AND DIU

GOVERNMENT OF GOA, DAMAN AND DIU

Legislative Assembly of Goa, Daman and Diu

Legislature Department

Notification

LA/A/7/2425/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 24th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

The Goa, Daman and Diu Municipalities (Amendment) Bill, 1972
(Bill No. 13 of 1972)

A Bill to amend the Goa, Daman and Diu Municipalities Act, 1968 (GDD 7 of 1969).

Be it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty-third Year of the Republic of India as follows:

1. Short title, extent and commencement. — (1) This Act may be called the Goa, Daman and Diu Municipalities (Amendment) Act, 1972.

(2) It extends to the whole of the Union Territory of Goa, Daman and Diu.

(3) It shall come into force at once.

2. Amendment of section 86. — In sub-section (2) of section 86 of the Goa, Daman and Diu Municipalities Act, 1968 (hereinafter referred to as the principal Act) for the words "The Government May" the words "The Government shall" shall be substituted.

3. Amendment of section 101. — In sub-section (1) of section 101 of the principal Act for clause (c) the following clause shall be substituted, namely —

"(c) a tax on cinemas, theatres, circuses, carnivals troupes as distinct from the usual carnival festivals in Goa and other performances and shows;"

4. Amendment of section 102. — In section 102 of the principal Act for the words "Government may" the words "Government shall" shall be substituted.

5. Substitution of section 109. — For Section 109 of the principal Act, the following section shall be substituted namely: —

"109 Standing committee to act as an authorised Valuation Officer. — The standing committee shall

act as an authorised Valuation Officer for the purposes of this Act."

Statement of Objects and Reasons

According to existing section 86(2) and 102 it is not obligatory on the Government to make grants to the council and to reimburse the council in case of loss of income from tax. The proposed amendment makes it obligatory on the Government.

Clause 3 of the proposed bill specifies more clearly the theatre tax rather than leaving it vague.

According to sub-section (3) of section 109 till the appointment of an authorised officer his powers and duties shall be exercised and performed by the standing committee. The appointment of a valuation officer does not appear to be necessary. The proposed bill envisages abolition of the post of authorised valuation officer and authorises the standing committee to exercise and perform the powers and duties conferred and imposed on the valuation officer by or under the act.

Panaji,
7th November, 1972.

V. N. SARMALKAR
MLA.

Panaji,
Assembly Hall,
24th November, 1972.

B. M. MASURKAR
Secretary

Notification

LA/A/7/2426/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 27th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

THE GOA, DAMAN AND DIU APPROPRIATION (EXCESS EXPENDITURE) BILL, 1972

(Bill No. 14 of 1972)

A BILL to provide for the authorisation of appropriation of moneys from and out of the Consolidated Fund of the Union Territory of Goa, Daman and Diu to meet the amounts spent on certain services during the year 1969-70 in excess of the amounts granted for those services and for that period.

BE it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty third year of the Republic of India as follows:—

1. **Short title.**— This Act may be called the Goa, Daman and Diu Appropriation (Excess Expenditure) Act, 1972.

2. **Issue of Rs. 9,60,419 out of the Consolidated Fund of the Union Territory of Goa, Daman and Diu to meet excess expenditure for the year 1969-70.**— From and out of the Consolidated Fund of the Union Territory of Goa, Daman and Diu, the sums specified in column 5 of the Schedule amounting in the aggregate to the sum of nine lakhs, sixty thousand, four hundred and nineteen rupees shall be deemed to have been authorised to be paid and applied to meet the amount spent for defraying the charges in respect of the services specified in column 2 of the Schedule for the year 1969-70 in excess of the amounts granted for those services and for that period.

3. **Appropriation.**— The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of the Union Territory of Goa, Daman and Diu under this Act, shall be deemed to have been appropriated for the services and purposes expressed in the Schedule for the year 1969-70.

THE SCHEDULE
(See Sections 2 & 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Assembly	Charged on the Consolidated Fund of the Union territory of Goa, Daman and Diu	Total excess/over grants/appropriation
1	2	3	4	5
7	Registration Fees	77,344	—	77,344
9	General Administration	13,969	—	13,969
19	Animal Husbandry	4,715	—	4,715
27	Public Works	8,43,295	—	8,43,295
45	Capital Outlay on Forests	21,096	—	21,096
	Total	9,60,419	—	9,60,419

Panaji, DAYANAND B. BANDODKAR
November, 1972. Chief Minister

A
BILL

to provide for the authorisation of appropriation of moneys from and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu to meet the amount spent on certain services and purposes during the year 1969-70 in excess of the amounts granted for those services and for that period.

(As passed by the Legislative Assembly
of Goa, Daman and Diu)

B. M. MASURKAR
Secretary, Legislature Department

Notification

LA/A/7/2427/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 27th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business.

THE GOA, DAMAN AND DIU SUPPLEMENTARY
APPROPRIATION BILL, 1972

(Bill No. 15 of 1972)

A BILL to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu for the services and purposes of the financial year 1972-73.

BE it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty Third Year of the Republic of India as follows:—

1. **Short title.**— This Act may be called the Goa, Daman and Diu Supplementary Appropriation Act, 1972.

2. **Issue of Rs. 61,22,200 out of the Consolidated Fund of the Union territory of Goa, Daman and Diu for the financial year 1972-73.**— From and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum sixty one lakhs, twenty two thousand and two hundred rupees towards defraying the several charges which will come in course of payment during the financial year 1972-73 in respect of the services and purposes specified in column 2 of the Schedule.

3. **Appropriation.**— The sums authorised to be paid and applied from and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu, by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See Sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Assembly	Charged on the Consolidated Fund of the Union territory of Goa, Daman and Diu	Total
1	2	3	4	5
		Rs.	Rs.	Rs.
12.	Police	—	14,000	14,000
17.	Cooperation and Community Development	200	—	200
18.	Industries and Labour	4,83,000	—	4,83,000
19.	Miscellaneous, Social and Developmental Organisations	1,50,000	—	1,50,000

1	2	3	4	5
		Rs.	Rs.	Rs.
20.	Irrigation, Navigation, Embankment and Drainage Works and Electricity Schemes ...	37,500	—	37,500
28.	Capital Outlay on Industrial and Economic Development ...	2,00,000	—	2,00,000
29.	Capital Outlay on Irrigation and Electricity Schemes ...	15,00,000	—	15,00,000
30.	Capital Outlay on Public Works ...	22,00,000	—	22,00,000
35.	Loans and Advances ...	37,500	—	37,500
36.	Appropriation to the Contingency Fund ...	15,00,000	—	15,00,000
	Total ...	61,08,200	14,000	61,22,200

Financial memorandum

Provision is made in the Bill to appropriate for certain services and purposes expressed in the Schedule during the financial year ending 31st March, 1973, a sum of Rs. 61,22,200 over and above the amounts granted for those services for the financial year 1972-73. The amount mentioned above consists of Rs. 6,84,700 on Revenue Account and Rs. 54,37,500 on Capital Account. This also includes amounts to be reimbursed to the Contingency Fund of this Union territory towards advances made from that Fund.

Statement of objects and reasons

This Bill is introduced in pursuance of section 29(1) of the Government of Union Territories Act, 1963, to provide for the Supplementary Appropriation out of the Consolidated Fund of the Union territory of Goa, Daman and Diu of the moneys required to meet the amounts required on certain services during the financial year, 1972-73 in excess of the amounts granted for those services.

Panaji, DAYANAND B. BANDODKAR
November, 1972. Chief Minister

A BILL

To give effect to the financial proposal of the Government of Goa, Daman and Diu, for the financial year 1972-73.

The Administrator has, in pursuance of sub-section (1) of Section 23 of the Government of Union Territories Act, 1963, recommended to the Legislative Assembly, the introduction and consideration of the Bill.

B. M. MASURKAR
Secretary, Legislature Department.

Notification

LA/A/7/2428/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 23rd November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

The Goa, Daman and Diu Contingency Fund (First Amendment) Bill, 1972

(Bill No. 16 of 1972)

A Bill to amend the Goa, Daman and Diu Contingency Fund Act 1964 (8 of 1964).

Be it enacted by the Legislative Assembly of the Union Territory of Goa, Daman and Diu in the Twenty-third year of the Republic of India as follows:—

1. **Short title and commencement.**— (1) This Act shall be called the Goa, Daman and Diu Contingency Fund (First Amendment) Act, 1972.

(2) It shall come into force at once.

2. **Amendment of section 2.**— In section 2 of the Goa, Daman and Diu Contingency Fund Act, 1964 for the words “ten lakhs of rupees” the words “Twenty five lakhs of rupees” shall be substituted.

Financial memorandum

Provision is made in the Bill to augment the existing balance in the Contingency Fund of the Union Territory of Goa, Daman and Diu from Rs. 10 lakhs to Rs. 25 lakhs by withdrawing a sum of Rs. 15 lakhs (fifteen lakhs only) from the Consolidated Fund of the Union Territory of Goa, Daman and Diu.

Statement of objects and reasons

Pursuant to Section 48 of the Government of Union Territories Act, 1963 (No. 20 of 1963), this Bill seeks to augment the existing amount in the Contingency Fund of the Union Territory of Goa, Daman and Diu. The original amount of Rs. 10 lakhs provided under Section 2 of the Goa, Daman and Diu Contingency Fund Act, 1964 (8 of 1964) is found to be inadequate to meet the present demands on the Contingency Fund in view of the increased developmental activities and budgetted expenditure. It is therefore proposed to increase the corpus of the Contingency Fund accordingly.

Panaji, DAYANAND B. BANDODKAR
13th November, 1972. Chief Minister

Assembly Hall, B. M. MASURKAR
Panaji, Secretary to the Legislative
23rd November, 1972. Assembly of Goa, Daman and Diu

Notification

LA/A/7/2429/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on

24th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

Legislative Diploma No. 1984 dated 14-4-1960
(First Amendment) Bill, 1972

(Bill No. 18 of 1972)

A BILL

to amend the Legislative Diploma No. 1984 dated 14-4-1960 regulating the working and functioning of the Institute of Public Assistance (Provedoria de Assistencia Publica).

Be it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty-third Year of the Republic of India, as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Goa, Daman and Diu Legislative Diploma No. 1984 dated 14-4-1960 (First Amendment) Act, 1972.

(2) It shall come into force on such date as the Administrator may, by notification in the Official Gazette, appoint.

2. *Definitions.*—In this Act unless the context otherwise requires,—

(a) "Administrator" means the Administrator of the Union territory of Goa, Daman and Diu appointed by the President of India under article 239 of the constitution;

(b) "appointed day" means the date on which the provisions of this Act come into force;

(c) "Official Gazette" means the Goa, Daman and Diu Government Gazette;

(d) "prescribed" means prescribed by rules under the Legislative Diploma No. 1984 dated 14-4-1960;

(e) "Provedoria de Assistencia Publica" means the Institute of Public Assistance established under the enactment Legislative Diploma No. 1984 dated 14-4-1960.

3. *Substitution of new article for article 13.*—For article 13 of the Legislative Diploma No. 1984 dated 14-4-1960 (hereinafter called as the "principal Diploma") the following article shall be substituted, namely:—

"13 The Administrator shall under notification published in the Official Gazette, determine that the funds of Provedoria de Assistencia Publica be deposited in any private or public sector Bank. The withdrawals of the funds so deposited shall be made by cheques signed by the Director of Provedoria and Treasurer."

4. *Substitution of new article for article 19.*—For Article 19 of the principal Diploma, the following Article shall be substituted; namely:—

"19 The Administrator shall fix the cadre of the staff of Provedoria de Assistencia Publica and

institutions under its control and prescribe the pay, allowances and other conditions of service.

Provided that the Administrator may prescribe the pay, allowances and other conditions of service from a retrospective date."

5. *Deletion of the chart of the staff.*—The chart of the staff appended to the principal Diploma, shall be deleted.

Statement of Objects and Reasons

The proposed Bill seeks to introduce amendments to the Legislative Diploma No. 1984 dated 14-4-1960 which regulates the working and functioning of the Institute of Public Assistance (Provedoria de Assistencia Publica).

Two Amendments are proposed to be moved to the said Diploma. The one is relating to the deposit of the funds of Provedoria in any of the private or public sector bank, as under the old Diploma such funds are to be deposited only in the «Caixa Economica de Goa» which at present is on the verge of dissolution. The other is relating to the Constitution of the cadre of the Staff of Provedoria and their fixation of pay and allowances along with the service conditions in order to remove the disparity which exists between their present status and that of other Government employees.

Financial Memorandum

No financial implications are involved with the proposed amendments to Legislative Diploma No. 1984 dated 14-4-1960 so far as the Government funds are concerned, as the expenditure with the pay and allowances of the staff of Provedoria will be met from their own funds.

Memorandum regarding Delegated Legislation

Section 3 of the amending bill empowers the Administrator to prescribe pay and other service conditions with retrospective effect for the purpose of carrying into effect the provision of the Act.

Panaji,

15th November, 1972

SHASHIKALA G. KAKODKAR

Minister of State

Assembly Hall,

Panaji,

24th November, 1972

B. M. MASURKAR

Secretary to the Legislative
Assembly of Goa, Daman and Diu

Notification

LA/A/7/2430/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 24th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

The Goa, Daman and Diu Barge Tax Bill, 1972

(Bill No. 19 of 1972)

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BILL

to impose a tax on barges in the Union territory of Goa, Daman and Diu and for other matters connected therewith.

Be it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty-third Year of the Republic of India as follows:—

1. Short title, extent and commencement.—(1) This Act may be called the Goa, Daman and Diu Barge Tax Act, 1972.

(2) It extends to the whole of the Union territory of Goa, Daman and Diu.

(3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,

(1) "barge" means every description of water craft mechanically propelled and which is used or is capable of being used as means of transport of minerals;

(2) "Government" means the Government of the Union territory;

(3) "prescribed" means prescribed by rules made under this Act;

(4) "quarter" means a period of three months commencing on the first day of April, the first day of July, the first day of October, or the first day of January, of each year; and the term "quarterly" shall be construed accordingly;

(5) "registered owner" means a person in whose name a barge is registered under the Inland Steam Vessels Act, 1917;

(6) "tax" means the tax levied under this Act;

(7) "taxation authority" means such officer or authority as the Government may, by notification in the Official Gazette, appoint to be taxation authority for the whole of the Union territory or for any area or areas thereof for the purposes of this Act;

(8) "tax licence" means a licence issued under section 5;

(9) "tax token" means a token issued under section 5 indicating therein the amount of tax which has been paid and includes a fresh tax token issued in place of the original token under this Act;

(10) "Union territory" means the Union territory of Goa, Daman and Diu;

(11) "Year" means the financial year.

3. Levy of tax.—There shall be levied and collected on all barges used or kept for use in the Union territory, a tax at the rates fixed by the Government, by notification in the Official Gazette, but not exceeding the maximum rates specified in the Schedule to this Act.

4. Declaration and payment of tax.—(1) Every registered owner or person having possession or control of a barge used or kept for use in the Union territory shall fill up and sign a declaration in the prescribed form stating the prescribed particulars and shall deliver the same to the taxation authority within the prescribed time.

(2) The tax to which a registered owner or person having possession or control of a barge appears by such declaration to be liable under section 3 shall be paid by him,—

(a) for a year at the rate specified by the Government under section 3, or

(b) subject to the provisions contained in the Note to the Schedule to this Act, for one or more quarters.

(3) The tax shall be paid within such time and in such manner as may be prescribed.

(4) Where the amount of tax under sub-section (2) for any period of less than one year, contains a part of a rupee, then if such part is fifty paise or more, it shall be increased to one complete rupee and if such part is less than fifty paise, it shall be ignored.

5. Issue of tax token and tax licence.—(1) When a person pays the amount of tax leviable under section 3 in respect of a barge the taxation authority shall issue to such person,—

(a) a token, in the prescribed form, specifying therein the period for which such tax has been paid, and

(b) a tax licence, in the prescribed form, specifying therein the rate at which the tax is leviable and the period for which the tax has been paid:

Provided that whenever the tax payable under this Act is revised by the Government under section 3, it shall be the duty of the taxation authority to indicate in the tax licence the rate as so revised.

(2) No barge liable to tax under this Act shall be used or kept for use in the Union territory unless the registered owner or the person having possession or control of such barge has obtained a tax licence under sub-section (1) in respect of that period.

6. Additional declaration.—(1) When a barge used or kept for use in the Union territory is altered in such manner as to render the registered owner or the person who has possession or control of such barge liable to the payment of additional tax under section 7, such owner or person shall fill up, sign and deliver in the manner provided in sub-section (2), an additional declaration and shall, along with such additional declaration accompanied by the tax token and the tax licence in respect of such period pay to the taxation authority an additional tax payable under that section which he appears by such additional declaration to be liable to pay in respect of such barge.

(2) The additional declaration shall be in the prescribed form containing the prescribed particulars and shall be delivered to the taxation authority after being duly filled up and signed within the prescribed time.

(3) The additional declaration shall indicate clearly also the nature of alteration made in the barge.

(4) On receipt of the additional tax under sub-section (1), the taxation authority shall issue to the registered owner or the person who has possession or control of the barge, a fresh tax token in place of the original tax token and shall cause an entry of such payment to be made in the tax licence.

7. Payment of additional tax. — Where any barge in respect of which a tax for any period is payable or has been paid, is altered during such period as a result of which the capacity of the barge is increased in such a manner as to cause the barge to become a barge in respect of which a higher rate to tax is payable, the registered owner or the person who has in possession or control of such barge, shall, in addition to the tax, if any, due from him for that period, be liable to pay for the unexpired portion of such period since the barge is altered an additional tax of a sum equal to the difference between the amount of tax payable for such unexpired portion at the higher rate and the rate at which the tax was payable or paid before the alteration for that portion; and until such additional tax has been paid, the taxation authority shall not grant a fresh tax token in respect of the barge so altered.

Explanation. — In calculating the unexpired portion under this section any broken period in a month shall be considered as a full month.

8. Liability to pay arrears of tax of person succeeding to the ownership, possession or control of barges. — (1) If the tax leviable in respect of any barge remains unpaid by any person liable for the payment thereof and such person before having paid the tax has transferred the ownership of such barge or has ceased to be in possession or control of such barge, the person to whom the ownership of the barge has been transferred or the person who has possession or control of such barge shall be liable to pay the said tax to the taxation authority.

(2) Nothing contained in this section shall be deemed to affect the liability of the person who has transferred the ownership or has ceased to be in possession or control of such barge to pay the said tax.

9. Refund of tax. — Where a tax on any barge has been paid for any period and it is proved to the satisfaction of the taxation authority that the barge has not been used during the whole of that period or a continuous part thereof not been less than six continuous months, a refund shall be made of such portion of the tax and subject to such conditions as may be prescribed.

10. Exemptions. — Where the Government is of opinion that it is necessary or expedient in the public interest so to do it may, by notification in the Official Gazette, and subject to such conditions as may be specified in the notification, exempt either totally or partially any class of barges from the payment of the tax.

11. Penalty payable when tax not paid. — When any registered owner or any person who has possession or control of any barge used or kept for use in the Union territory is in default in making the payment of tax, the taxation authority may, by order, direct that in addition to the amount of arrears a sum not exceeding twice the quarterly tax in respect

of such barge shall be recovered from him by way of penalty:

Provided that before giving such direction, the registered owner or such person shall be given a reasonable opportunity of being heard.

12. Arrears of tax and penalty recoverable as arrears of land revenue. — (1) Any tax due and not paid as provided for by or under this Act and any sum directed to be recovered by way of penalty under section 11 shall be recoverable in the same manner as an arrear of land revenue.

(2) The barge in respect of which the tax is due or in respect of which any sum has been directed to be recovered as penalty under section 11 or its accessories may be distrained and sold in pursuance of this section whether or not such barge or accessories is or are in the possession or control of the person liable to pay the tax or penalty.

13. Power to issue and detain in case of non-payment of tax. — Without prejudice to the provision of sections 11 and 12, where any tax due in respect of any barge has not been paid as provided for by or under this Act, such officer or authority as may be prescribed, may seize and detain the barge in respect of which the tax is due under this Act and for this purpose take or cause to be taken any steps he or it may consider necessary for the temporary safe custody of the barge, until the tax due in respect of the barge is paid.

14. Appeal. — (1) Any person who is aggrieved by any order or direction of the taxation authority or any other officer or authority under this Act may file an appeal before the Administrative Tribunal constituted under the Goa, Daman and Diu Administrative Tribunal Act, 1965, in such manner, within such time and on payment of such fees as may be prescribed.

(2) Every appeal filed under sub-section (1) shall be heard in such manner as may be prescribed.

15. Power of the taxation authority to stop a barge. — The taxation authority or such officer, being a gazetted officer, as may be prescribed in this behalf may. —

(a) enter any time between sunrise and sunset any premises where he has reason to believe that a barge is kept, or

(b) require the person who is in possession of a barge to stop such barge and cause it to remain stationary so long as may be reasonably necessary, for the purpose of satisfying itself or himself that the amount of tax due in accordance with the provision of this Act in respect of such barge has been paid or for carrying out such verification as may be prescribed.

16. Penalty — Whoever —

(a) as a registered owner or otherwise, has the possession or control of any barge used or kept for use in the Union territory without having paid the amount of tax or additional tax, due in accordance with the provisions of this Act in respect of such barge, or

(b) makes a declaration or an additional declaration wherein the particulars required by or

under this Act to be therein set forth are not fully and truly stated, or

(c) obstructs any officer in the exercise of the powers conferred by clause (a) of section 15 or fails to stop the barge when required so to do under clause (b) of that section,

shall, on conviction be punishable —

(i) with fine which shall not be less than a sum equal to the quarterly tax payable in respect of such barge, and which may extend to a sum equal to the annual rate in respect of such barge; and

(ii) in the event of such person having been previously convicted of an offence under this section, with fine which shall not be less than a sum equal to the tax payable in respect of such barge for two quarters, and which may extend to a sum equal to twice the annual rate in respect of such barge.

17. Protection of action done under the Act and bar to the jurisdiction. — (1) No suit, prosecution or other legal proceedings shall lie against any person for anything in good faith done or intended to be done under this Act.

(2) No civil court shall have jurisdiction to settle, decide or deal with any question or to determine any matter which is by or under this Act required to be settled, decided or dealt with or to be determined by the taxation authority or any other officer or authority appointed under this Act.

18. Power to make rules. — (1) The Government may, by notification in the Official Gazette, make rules to carry out the purpose of this Act.

(2) In particular and without prejudice to the generality of the foregoing provision such rules may provide for all or any of the following matters, namely: —

(a) the time within which, and the manner in which the tax shall be paid;

(b) the form of declaration and additional declaration, particulars to be stated therein and the time within which the declaration or additional declaration shall be delivered under section 4 or section 6, as the case may be;

(c) the form of the tax token and the tax licence under sub-section (1) of section 5;

(d) the conditions subject to which refund of tax may be allowed under section 9;

(e) the officer or authority which may seize and detain a barge under section 13;

(f) the manner in which, the time within which and the fee on payment of which, an appeal may be filed and the manner in which such appeal shall be heard and decided under section 14;

(g) the officer who may exercise powers under section 15;

(h) any other matter which is to be, or may be prescribed.

(3) Every rule made under this section shall be laid as soon as may be after it is made, before the Legislative Assembly of the Union Territory, while it is in session, for a total period of thirty days which may be comprised in one session or two or more successive sessions, and if before the expiry of the session immediately following the session or the successive sessions aforesaid, the Legislative Assembly agrees in making any modification in the rule or the Legislative Assembly agrees that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

SCHEDULE

(Section 3)

Capacity of barge	Maximum annual rate per tonne
Less than 100 tonnes	Rs. 3.50
100 tonnes and less than 200 tonnes	Rs. 5.00
200 tonnes and less than 350 tonnes	Rs. 6.00
350 tonnes and above	Rs. 7.50

Note: When tax is not paid for the whole year at a time, but is paid for one or more quarters at a time, the tax so payable for each quarter shall be an amount equal to one-fourth of the annual tax plus ten per cent of that amount.

Statement of Objects and Reasons

The Object of this Bill is to substitute the Diploma Legislative 1776 which has been repealed by the Goa, Daman and Diu Land Revenue Code, 1968 and by which the Government was prevented from collecting taxes on Barges. Through this Bill it is intended to raise revenue on barges for the maintenance and improvement of the inland waterways of this Territory.

Financial Memorandum

No financial commitment is involved in the proposed Bill, as the machinery for this purpose is already existing for collection of the Tax.

Panaji, D. B. BANDODKAR
18th November, 1972. Chief Minister

Assembly Hall, B. M. MASURKAR
Panaji, Secretary to the Legislative
24th November, 1972. Assembly of Goa, Daman and Diu

Notification

LA/A/7/2431/72

The following Bill which was introduced in the Legislative Assembly of Goa, Daman and Diu, on 30th November, 1972, is hereby published for general information in pursuance of the provisions of Rule 127 of the Rules of Procedure and Conduct of Business of Legislative Assembly.

The Goa, Daman and Diu Chit Funds Bill, 1972

ARRANGEMENT OF SECTIONS

Preamble.

CHAPTER I

Preliminary

Sections.

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II

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The Goa, Daman and Diu Chit Funds Bill, 1972

(Bill No. 20 of 1972)

A
BILL

to provide for the regulation of chit funds in the Union territory of Goa, Daman and Diu.

Be it enacted by the Legislative Assembly of Goa, Daman and Diu in the Twenty-third Year of the Republic of India as follows:—

CHAPTER I

Preliminary

1. **Short title, extent and commencement.**— (1) This Act may be called the Goa, Daman and Diu Chit Funds Act, 1972.

(2) It extends to the whole of the Union territory of Goa, Daman and Diu.

(3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different areas and for different provisions of this Act.

2. Definitions.—In this Act, unless the context otherwise requires,—

(1) "approved bank" means a bank approved by the Government.

(2) "chit" means a transaction whether called chit fund, chit kuri or by any other name, by which its foreman enters in an agreement with a number of subscribers that every one of them shall subscribe a certain sum or a certain quantity of grain by instalments for a definite period and that each subscriber in his turn as determined by lot or by auction or by tender or in such other manner as may be provided for in the agreement, shall be entitled to a prize amount.

Explanation.—A transaction is not a chit within the meaning of this clause, if in such transaction—

(a) some alone, but not all, of the subscribers get the prize amount without liability to pay future subscriptions; or

(b) all the subscribers get the whole or the chit amount by turns with a liability to pay future subscriptions.

Illustration.—There are 100 subscribers to a chit and the subscription by each of them is ten rupees. All the subscribers get by turn one thousand rupees being the whole of the chit amount and are liable to pay future subscriptions. The transaction falls within clause (b) of the above explanation and is not a chit;

(3) "chit agreement" means a document containing the articles of agreement between the foreman and the subscribers relating to the chit;

(4) "chit amount" means the sum total of the subscriptions payable by all the subscribers for any instalment of a chit without any deduction for discount or otherwise;

(5) "defaulting subscriber" means a subscriber who has defaulted in the payment of subscriptions due according to the terms of the chit agreement;

(6) "discount" means the sum or the quantity of grain which a prized subscriber has under the terms of the chit agreement to forego and which is set apart under the said agreement to meet the expenses of running the chit or for distribution among the subscribers or for both;

(7) "dividend" means the share of a subscriber in the discount available under the chit agreement for rateable distribution among the subscribers at each instalment of the chit;

(8) "drawing" means ascertaining of the person or persons entitled to the prize amount at any instalment of a chit;

(9) "firm" means a firm registered under the Indian Partnership Act, 1932, (Central Act 9 of 1932) as applied to the Union territory;

(10) "foreman" means the person who under the chit agreement is responsible for the conduct of the chit and includes any other person discharging the functions of the foreman under section 30;

Provided that no firm shall be foreman unless such firm is re-registered under the Indian Partnership Act, 1932. (Central Act 9 of 1932).

(11) "Government" means the Administrator appointed by the President under article 239 of the Constitution;

(12) "non-prized subscriber" does not include a subscriber who has defaulted in the payment of subscriptions due according to the terms of the chit agreement;

(13) "prize amount" means the difference between the chit amount and the discount, and in the case of a fraction of a ticket means the difference between the chit amount and the discount proportionate to the fraction of the ticket; and when the prize amount is payable otherwise than in cash, the value of the prize amount shall be the value at the time it becomes payable;

(14) "prized subscriber" means a subscriber who has either received or is entitled to the prize amount;

(15) "registrar" means a registrar appointed under Sub-section (1) of section 52;

(16) "subscriber" includes a person who holds a fraction of a ticket and also a transferee of a ticket or a fraction thereof by assignment in writing or by operation of law;

(17) "ticket" means the share or a subscriber in a chit;

(18) "union territory" means the Union territory of Goa, Daman and Diu.

CHAPTER II

Constitution and Registration

3. Registration of bye-laws.—(1) Save as otherwise provided in this Act, no person shall start or conduct any chit unless he has registered with the Registrar the proposed bye-laws of the chit.

(2) Save with the permission of the Government, no chitty shall extend in duration for a period of more than five years.

(3) For the purpose of registration, there shall be filed with the Registrar the bye-laws of the chit in duplicate signed by the foreman and attested by at least two witnesses.

(4) The Registrar, on being satisfied that the bye-laws are not contrary to this Act or to the rules made thereunder, shall issue to the foreman a certificate of registration and such certificate shall be conclusive evidence that the bye-laws of the chit therein mentioned are duly registered.

(5) The Registrar shall retain the bye-laws of the chit and return the duplicate of the bye-laws to the foreman with an endorsement that the bye-laws have been registered.

4. Prohibition of invitation for subscription to chit of which bye-laws have not been registered.—No person shall issue or publish any notice, circular, prospectus or other document containing the terms and conditions of any chit or inviting the public to subscribe for tickets in any chit unless such notice, circular, prospectus or other document relates to a chit, the bye-laws of which have been registered.

5. Form of chit agreement.—Every chit agreement shall be in duplicate and shall be signed by

each subscriber or by a person authorized in that behalf in writing by the subscriber and the foreman and attested by at least two witnesses, and it shall contain the following particulars, namely:—

- (1) The full name and the permanent residential address of every subscriber;
- (2) the tickets held by each subscriber;
- (3) the number of instalments and the amount payable in respect of each ticket for each instalment;
- (4) the dates of commencement and termination of the chit;
- (5) the mode of ascertaining the prized subscriber;
- (6) the amount of discount which the prized subscriber at any instalment has to forego;
- (7) the mode and proportion in which the discount is distributable by way of dividend, foreman's commission and other expenses, if any;
- (8) the date, time and place at which the chit is to be drawn;
- (9) if under the chit agreement the foreman is entitled to the chit amount, the instalment at which the foreman is to get the chit amount;
- (10) the approved bank or banks in which chit moneys shall be deposited by the foreman under the provisions of this Act;
- (11) the manner in which a chit shall be continued where a foreman who is an individual dies or becomes of unsound mind; and
- (12) any other particulars which may be prescribed.

Explanation.—It is sufficient to get the signature of each subscriber on separate copies of the agreement.

6. Filing of chit agreement.—(1) Every chit agreement with its duplicate shall be filed with the Registrar.

(2) The Registrar shall retain the chit agreement and return the duplicate chit agreement to the foreman with an endorsement that the chit agreement is filed.

7. Commencement of chit business.—(1) No person shall commence any auction or drawing of any chit unless he has obtained a certificate of commencement from the Registrar.

(2) The Registrar shall, on being satisfied that the bye-laws of the chit have been registered and the chit agreement has been filed and the security required under section 12 has been furnished by the foreman, grant a certificate of commencement.

8. Copies of bye-laws and chit agreement to be given to subscribers.—(1) The foreman shall, as soon as may be after he has obtained the certificate of commencement referred to in section 7, but not later than the date of the first drawing of the chit, furnish to every subscriber a copy of the bye-laws of the chit and of the chit agreement certified by him to be a true copy.

(2) The foreman shall, within the fifteenth day of the month succeeding the month in which the first instalment of the chit is drawn, file with the Registrar a certificate to the effect that he has complied with the provisions of sub-section (1).

9. Alteration of chit agreement.—The chit agreement shall not be altered, added to or cancelled except with the consent in writing of the foreman and all the subscribers to the chit.

10. Minutes of proceedings.—(1) The Minutes of the proceedings of every drawing shall be drawn up and entered in a book to be kept for that purpose and shall be signed by the foreman and all the subscribers present and shall also be signed by the prized subscriber or his authorised agent.

(2) Such minutes shall state clearly—

- (i) the date and hour when the proceedings began and ended and the place where the drawing was held;
- (ii) the number of the particular instalment of the chit of which proceedings are recorded;
- (iii) the names of the subscribers present;
- (iv) the person or persons who become entitled to the prize amount in the particular instalment;
- (v) the amount of discount;
- (vi) full particulars regarding the disposal of the prize amount in respect of the preceding instalment and disposal of unpaid prize amount, if any, in respect of any previous instalment; and
- (vii) any other particulars which may be prescribed.

11. Copy of minutes to be filed with Registrar.—Every foreman shall within the fifteenth day of the month succeeding the month in which one or more instalments or the same chit or one or more instalments of any other chit are drawn, file with the Registrar a copy of the minutes referred to in section 10 in respect of the drawings at all such instalments and certified by the foreman to be a true copy.

CHAPTER III

Foreman

12. Security to be given by foreman.—(1) For the proper conduct of the chit, every foreman shall, before applying for the certificate of commencement under section 7,—

(a) execute an indenture of mortgage and trust in favour of the Registrar as trustee charging by way of security property sufficient to the satisfaction of the Registrar for the realisation of the chit amount; or

(b) (i) deposit in any approved bank an amount of cash not less than half of the chit amount, or

(ii) invest in Government securities of the face value or market value whichever is less, of not less than half of the chit amount and transfer the amount so deposited or the Government securities in favour of the Registrar to be held in trust by him as security:

Provided that, where movable property is charged by way of security, only such kind of movable pro-

property as may be prescribed shall be so charged and such movable property shall be deposited in such manner and with such person or officer as may be prescribed.

(2) Where a foreman conducts more than one chit, he shall furnish security in accordance with the provisions of sub-section (1) in respect of each such chit.

(3) Subject to the provisions of section 520 of the Companies Act, 1956, (Central Act 1 of 1956) the security given by the foreman under sub-section (1) shall not be liable to be attached in execution of a decree or otherwise —

(i) until the chit is terminated and the claims of all the subscribers are fully satisfied;

(ii) until all dues payable by the foreman under this Act to the Registrar or any other officers have been paid;

(iii) where owing to the default of the prized subscriber the prize amount due remains unpaid even after the termination of a chit until the foreman deposits such amount in an approved bank mentioned in the chit agreement and intimates in writing the fact of such deposit to the prized subscriber.

(4) No foreman shall be entitled to conduct at a time chitties the aggregate amount of which exceeds fifty per cent of the total assets of the foreman or ten thousand rupees, whichever is lower:

Provided that the maximum limit of the chitty amount specified in this sub-section shall be rupees one lakh in the case of chitties of which the foreman is a banking company as defined in the Banking Regulation Act, 1949 (Central Act 10 of 1949).

Explanation. — In determining the total assets of a foreman for the purposes of this sub-section, the amount of the security furnished by him under sub-section (1) shall be excluded if such amount is the amount of subscription received in advance from the subscribers.

(5) In calculating the aggregate amount of chitties conducted at a time by a foreman, the chitties conducted by all the members of the family of the foreman shall be taken into account.

Explanation. — For the purposes of this sub-section, the expression "members of the family of the foreman" means father, mother, husband, wife and children of the foreman wholly dependent on him and who have no independent assets sufficient to entitle them to conduct any chitty.

(6) The Registrar shall, after the termination of a chit and after satisfying himself that the requirements under clause (i) to (iii) of sub-section (3) have been complied with, release the property charged by way of security or order the release of the cash security or the Government securities referred to in sub-section (1) and in so doing, he shall follow such procedure as may be prescribed.

(7) (a) The Registrar may, on an application made in this behalf by any foreman, instead of releasing the security under sub-section (6), accept the same

as security in respect of any other chit or chits conducted by the same foreman;

(b) The Registrar shall, —

(i) where the value or amount of the security accepted is less than the value or amount specified in sub-section (1), require the foreman to furnish additional security to make up the deficit;

(ii) where the value or amount of the security is in excess of the amount or value required, release the excess thereof.

(8) Notwithstanding anything to the contrary contained in any other law the security furnished under this section shall not be dealt with by the foreman during the currency of the chit and any dealing by the foreman with respect thereto by way of transfer, charge mortgage or other encumbrances shall be void.

13. Rights of foreman. — (1) The foreman shall be entitled —

(a) in the absence of any provision in the chit agreement to the contrary to obtain the chit amount at the instalment specified in the chit agreement:

Provided that a foreman shall not be eligible to obtain more than one chit amount in a chit.

(b) to such commission or remuneration, not exceeding five per cent, of the chit amount as may be fixed in the chit agreement;

(c) to receive and realise all contributions from the subscribers and to distribute the prize amounts to prized subscribers and the dividend among the subscribers;

(d) to demand sufficient security from any prized subscribers for the due payment of future subscriptions. —

Explanation. — A security is said to be sufficient for the purposes of this clause, if its value exceeds by one third, or if it consists of buildings, the value exceeds by one half, the amount due from the prized subscriber;

(e) to substitute subscribers in the place of defaulters; and

(f) to do all other acts that may be necessary for the due and proper conduct of the chit.

(2) In case of any dispute in regard to the value of the property offered as security under clause (d) of sub-section (1) the matter shall be referred to the Registrar, whose decision thereon shall be final.

14. Duties of foreman. — (1) The foreman shall, on prized subscriber furnishing sufficient security for the due payment of future subscription be bound to pay him the prize amount:

Provided that the prized subscriber shall be entitled to demand immediate payment of the prize amount after, deducting all future subscriptions without any security whatsoever, and in such case the foreman shall, before the date of the next succeeding instalment, deposit in an approved bank mentioned in the chit agreement the amount of future subscriptions deducted as aforesaid and he shall not withdraw the amount so deposited except for payment of further subscriptions.

(2) If, owing to the default of the prized subscriber, the prize amount due in respect of any drawing remains unpaid before the date of the next succeeding drawing, the foreman shall deposit the same forthwith in an approved bank mentioned in the chit agreement and intimate in writing the fact of such deposit to the prized subscriber.

(3) Every payment of the prize amount, the deposit of the amount of future subscriptions under sub-section (1) and the deposit of the prize amount under sub-section (2) shall be intimated to the subscribers at the next succeeding drawing, and particulars of such payment or deposit entered in the minutes of the proceedings of that drawing.

(4) The foreman shall not appropriate for himself any amount in excess of what he is entitled to under clauses (a) and (b) of section 13.

Provided that the foreman may appropriate for himself the interest accruing on the amount deposited under the proviso to sub-section (1).

15. Registers and books of account.—The foreman shall keep such registers and books of account, and in such form, as may be prescribed.

16. Balance Sheet.—(1) Every foreman shall prepare and file with the Registrar in such manner and within such time as may be prescribed a balance sheet duly audited either by auditors duly qualified to act as auditors of companies under the Companies Act 1956 (Central Act 1 of 1956) or by a Chit Auditor appointed under sub-section (2) of section 51 and relating to the period of account.

(2) The balance sheet referred to in sub-section (1) shall—

(a) contain a summary of the assets and liabilities of the chit; and

(b) give such particulars as will disclose the nature of the assets and liabilities and how the value of the assets has been arrived at.

17. Liability of foreman to the subscribers.—(1) Every foreman shall be liable to account to the subscribers for the amounts due to them.

(2) Where there are more than one foreman, each one of them jointly and severally or if the foreman is a firm, each one of the partners thereof jointly and severally and if the foreman is a Corporation, the Corporation as such shall be liable to the subscribers in respect of the obligations arising out of the chit.

18. Withdrawal of foreman.—Where there are more than one person as foreman in a chit, none of them shall withdraw from it until the termination of the chit unless such withdrawal is assented to by all the non-prized subscribers and unpaid prized subscribers and a copy of such assent has been filed as required by section 33. Such withdrawal shall not, however, affect the security given under section 12.

CHAPTER IV

Non-prized Subscribers

19. Non-prized subscribers to pay subscription and get Receipt.—Every non-prized subscriber

shall pay his subscription at the time and place mentioned in the chit agreement and shall on such payment be entitled to get a receipt from the foreman.

20. Removal of defaulting subscribers.—(1) A non-prized subscriber who defaults in paying his subscription in accordance with the terms of the chit agreement shall be liable to have his name removed from the list of subscribers.

(2) Every removal under sub-section (1) shall, with the date thereof, be entered in the relevant book maintained by the foreman and a written notice of such removal shall be given by the foreman to the defaulting subscriber within fourteen days of such removal.

(3) A true copy of the entry referred to in sub-section (1) shall be filed by the foreman with the Registrar within fourteen days from the date of such removal.

(4) Any defaulting subscriber aggrieved by the removal of his name from the list of subscribers may, within seven days of the communication to him of the notice of removal, appeal to the Registrar.

(5) The Registrar may, after giving the parties an opportunity of being heard, pass such orders on the appeal as he thinks fit and the decision of the Registrar shall be final.

21. Substitution.—(1) The foreman may substitute in the list of subscribers any person in place of a defaulting subscriber whose name has been removed from such list under sub-section (1) of Section 20.

Provided that no such substitution shall be made until the expiry of the period allowed for appeal under sub-section (4) of Section 20, or where any such appeal has been preferred, until the same has been disposed of.

(2) Every substitution referred to in sub-section (1) shall, with the date thereof, be entered in the relevant book maintained by the foreman. A true copy of every such entry shall be filed by the foreman with the Registrar within fourteen days from the date of substitution.

(3) All arrears of subscriptions realised from the substituted subscriber, less amount advanced by the foreman, shall before the date of the next succeeding instalment, be deposited by the foreman in an approved bank mentioned in the chit agreement. The foreman shall not withdraw the amount so deposited except for payment to the defaulting subscriber.

Explanation.—For the purposes of sub-section (3), 'arrears of subscriptions' shall mean all the previous instalments realised from the substituted subscriber.

22. Amount due to defaulting subscriber how dealt with.—(1) When a substituted subscriber draws the prize amount, the defaulting subscriber shall be entitled to recover from the foreman his contributions, subject to such deductions as may be provided for in the chit agreement.

(2) The foreman shall on demand made by the defaulting subscriber and on his executing an acknowledgement duly signed, be bound to pay to the

defaulting subscriber the amount due to him before the date of the next succeeding instalment.

(3) Where the defaulting subscriber fails to furnish the acknowledgement as aforesaid, the foreman shall, before the date of next succeeding instalment, deposit in an approved bank the amount due to the defaulting subscriber and the amount so deposited shall not be withdrawn by the foreman for any purpose other than for payment to the defaulting subscriber.

23. How meetings to be held.— (1) The foreman may, on his own initiative convene a special meeting of the general body of subscribers for considering proposal to pass a special resolution.

(2) The foreman shall convene such a meeting on the requisition in writing of not less than twenty five per cent of the number of non-prized and unpaid prized subscribers, and the meeting so convened shall be held within thirty days of the date of the receipt of the requisition and if the foreman refuses or fails to call the meeting within fourteen days of the receipt of such requisition, the meeting may be convened by not less than twenty five per cent, of the number of the non-prized and unpaid prized subscribers.

(3) If the foreman refuses or fails to convene a meeting as required by sub-section (2), he shall be punishable with fine which may extend to one hundred rupees.

(4) Notice of not less than fourteen days shall be given to all subscribers of a meeting under this section specifying the object, date, hour and place of the meeting and a copy of the proposed special resolution shall also be sent along with the notice.

(5) The meeting shall elect its own chairman.

CHAPTER V

Prized Subscribers

24. Prized subscriber to give security.— Before receiving the prize amount without deducting all future subscriptions, every prized subscriber shall furnish and the foreman shall take sufficient security for the due payment of future subscriptions and if the foreman is the prized subscriber, he shall give security for the due payment of future subscriptions to the satisfaction of the Registrar.

25. Prized subscriber to pay the subscriptions regularly.— Every prized subscriber shall pay his subscriptions regularly at the time and place and on the date mentioned in the chit agreement and on his failure to do so, he shall be liable to make a consolidated payment of all the future subscriptions at once.

26. Foreman to demand future subscriptions by written notice.— (1) A foreman shall not be entitled to claim consolidated payment of all the future subscriptions from a defaulting prized subscriber unless he shall have demanded the same in writing.

(2) If in a suit by a foreman for consolidated payment of future subscriptions from a defaulting prized subscriber the defendant pays into court on or before the date to which the suit is posted for hearing the arrears of subscriptions till that date together with interest thereon at the rate provided for in the

chit agreement or at twelve per cent per annum simple interest whichever is lower, and the costs of the suit for payment to the plaintiff, then notwithstanding any contract to the contrary court shall pass a decree directing that the defendant shall deposit in court for payment to the plaintiff, the future subscriptions on or before the dates on which they fall due and that in default of payment by the defendant of any future subscription on or before the due date the plaintiff shall be at liberty to realise in execution all the future subscriptions and interest thereon, less the amount if any already deposited by the defendant:

Provided that if any such suit is upon a promissory note no decree shall be passed under this sub-section unless such promissory note expressly states that the amount due under the promissory note is towards payment of subscriptions to the chit.

(3) Any person who holds an interest in the property furnished as security or any part thereof shall be entitled to make payment under sub-section (2).

(4) All consolidated payments of future subscriptions realised by a foreman shall be deposited in an approved bank before the date of the next succeeding instalment and the amount so deposited may be withdrawn only for payment of future subscriptions. When any property is acquired in lieu of the consolidated payment, it shall remain as security for the due payment of future subscriptions.

CHAPTER VI

Transfer

27. Restrictions on transfer of right of foreman.—

(1) No transfer of the right of a foreman to receive subscriptions from prized subscribers shall be made without the previous sanction in writing of the Registrar.

(2) Any such transfer of the rights of a foreman to receive subscriptions from a prized subscriber shall, if it is likely to affect prejudicially the interest of any non-prized subscriber or unpaid prized subscriber, be set aside on application by such subscriber to such officer as may be empowered by the Government in this behalf.

(3) When under sub-section (2) a transfer is disputed by a subscriber, the burden of proving that the foreman was in solvent circumstances at the time of the transfer and that the transfer is not likely to affect prejudicially the interest of any such subscriber is upon the transferee.

28. Transfer of non-prized subscriber's rights to be in writing.— Every transfer by a non-prized subscriber of his rights in the chit shall be in writing duly attested by at least two witnesses and shall be filed with the foreman.

29. Recognition of transfer by the foreman.— Every transfer under section 27 shall be recognised by the foreman, unless the transferee is not solvent or the transfer was effected with a view to defeat the provisions of any law.

30. Entry of transferee's name in the book.— Every transfer made under section 26 or section 27 shall be entered by the foreman in the books of the chit forthwith and a true copy of such entry shall

be filed by the foreman with the Registrar within fourteen days from the date of such entry.

CHAPTER VII

Termination of Chits

31. Provisions for continuation of Chit in certain cases.—Where the foreman who is an individual dies or becomes of unsound mind, the chit may be continued in accordance with the provisions of the chit agreement.

32. Termination of Chit.—A chit shall be deemed to have terminated.

(a) When the period fixed in the chit agreement has expired, provided payment of dues to all the subscribers has been completed; or

(b) When all the non-prized and unpaid prized subscribers consent in writing to the termination of the chit and a copy of such consent is filed as required by section 33; or

(c) When a foreman, who is an individual, dies or becomes of unsound mind and the chit is not continued in accordance with the provisions of the chit agreement:

Provided that in the case of a foreman which is a firm if a partner dies or becomes of unsound mind, the chit shall not be deemed to have terminated and the surviving partner or partners shall conduct the chit in the absence of any provision to the contrary in the chit agreement.

33. Copy of assent or consent to be filed with the Registrar.—A true copy of every assent mentioned in section 18 and of every consent mentioned in section 32, with the date of such assent or consent shall be filed by the foreman or by the remaining foreman or foremen, as the case may be, with the Registrar within fourteen days from the date of such assent or consent.

34. Refund of non-prized subscribers contributions.—Except in the cases referred to in clauses (a) and (b) of section 32—

(a) every non-prized subscriber shall, unless otherwise provided for in the chit agreement, be entitled to get back his contribution at the termination of the chit without deduction for dividend, if any, received by him:

Provided that any person to whom the rights of a non-prized subscriber are transferred under sections 27, 28 and 29 shall, in addition to his own contributions, be entitled to get back the contribution, made by such non-prized subscriber, subject to the conditions specified in this clause;

(b) if the chit terminates on a date earlier than the date originally fixed in the chit agreement, the non-prized subscriber's claim shall be deemed to have arisen on the date on which he has notice thereof.

35. Subscriber's due to be first charge on chit assets.—Where there are debts due from the foreman of a chit in relation thereto and also other debts due from such foreman, the chit debts due to the subscribers shall be a first charge on the chit assets.

CHAPTER VIII

Inspection of Documents

36. Foreman to allow subscriber to examine chit records.—Every foreman shall, on payment of such fee not exceeding five rupees as may be specified in the chit agreement, allow non-prized and unpaid prized subscribers all reasonable facilities on all days of drawing of chits or on such days and within such hours as may be provided for in the chit agreement for the inspection of security bonds and documents, receipts and other records taken from the prized subscriber or furnished by the foreman himself in his capacity as a subscriber and all chit records including books of account and pass books, the balance sheets and profit and loss accounts and such other records as may show the actual financial position of the chit scheme.

37. Preservation of chit records by foreman.—All the records pertaining to a chit shall be preserved intact by the foreman and kept for a period of six years from the date of the termination of the chit.

38. Inspection of Chit Book and records.—(1) The Registrar or any officer authorised by the Director of Chits in this behalf may inspect the chit books and all records after giving due notice in writing to the foreman.

(2) Every foreman shall be bound to produce the chit books and records before the Registrar or the officer authorised under sub-section (1) at the time and place mentioned in the notice and shall furnish such information to him as he may require:

Provided that such inspection may be made at the premises of the foreman if he pays in advance such fees as may be prescribed for the inspection:

Provided further that if the foreman is a banking company as defined in the Banking Regulation Act, 1949 (Central Act 10 of 1949) or a corporation established by or under any statute and carrying on the business of banking, such inspection shall be made only at the premises of the company or the corporation, as the case may be, and only on a working day and such foreman shall pay such fees as may be prescribed for the inspection.

CHAPTER IX

Winding up of Chits

39. When Chit may be wound up.—A chit may be wound up by the District Court:—

(a) if the chit has terminated under clause (c) of section 32, or

(b) if the foreman fails to give the security specified in section 12 or if he commits any such act in respect thereto as is calculated to impair materially the nature of the security or the value thereof, or

(c) if he fails to deposit the chit moneys in accordance with the provision of this Act, or

(d) if it is proved to the satisfaction of the court that the foreman is unable to pay the amounts due to the subscribers, or

(e) if execution or other process issued on a decree or order of any court in favour of any

subscriber in respect of amounts due to him from the chit is returned unsatisfied in whole or in part, or

(f) if it is proved that there has been fraud or collusion on the part of the foreman in the matter of taking securities from prized subscribers, or

(g) if the foreman has appropriated the prize amount in his capacity as a subscriber without furnishing sufficient security for future subscriptions, or

(h) if it is just and equitable that the chit should be wound up.

Explanation.—For the purposes of clause (d), in determining whether the foreman is unable to pay the amounts due to the subscribers, the court shall take into account his contingent and prospective liabilities in respect of the chit.

Provided that a chit conducted by a company within the meaning of the Companies Act, 1956, (Central Act 1 of 1956) shall be wound up only by the court having jurisdiction under that Act.

40. Winding up application.—The application to the court for the winding up of a chit shall be by a petition presented by any non-prized subscriber or unpaid prized subscriber by the Registrar, signed and verified in the manner prescribed by the law relating to Civil Procedure for the time being in force and shall contain such particulars as may be prescribed:

Provided that no application for the winding up of a chit under clauses (d) and (h) of section 39 shall lie unless such petition is presented.

(a) by those non-prized subscribers and those unpaid prized subscribers whose subscriptions to the chit amount in the aggregate is at least twenty-five per cent of the amounts contributed by all the non-prized subscribers and unpaid prized subscribers, or

(b) with the previous sanction of the Government.

Explanation.—For the purpose of the above proviso, a subscriber of a fraction of a ticket shall be deemed to be subscriber only to the extent of such fraction.

41. Insolvency or liquidation a bar to winding up proceedings.—Notwithstanding anything contained in sections 39 and 40 no petition for the winding up of a chit shall be entertained by a court if proceedings under the law relating to insolvency for the time being in force are pending against the foreman for adjudicating him an insolvent or when the foreman is a company if proceedings for winding up the company are pending against such company in a court.

42. Commencement and effect of winding up order.—An order for the winding up of a chit shall operate in favour of all the subscribers to whom amounts are due from the chit and it shall be deemed to have commenced from the time of the presentation of the application for the winding up.

43. Injunction order.—The court may, upon the application of the foreman or of any subscriber to whom amounts are due in respect of the chit at any time after the presentation of the application for the winding up of a chit under this Act and before making of an order for the appointment of an Interim Receiver or for winding up the chit, restrain further proceedings in any suit for proceeding instituted against the foreman for the realisation of amounts due from the chit upon such terms as the court thinks fit.

44. Powers of court on hearing application.—On hearing the application, the court may dismiss it with or without cost or adjourn the hearing conditionally or unconditionally or make an interim order or any other order that it deems fit.

45. Chit assets to vest in court for distribution.—On the making of an order for the winding up of a chit, the entire chit assets shall vest in the court for distribution amongst the subscribers to whom amounts are due in respect of the chit and the court shall pass such orders in the matter (including the appointments of a receiver) as it deems fit.

46. Suits stayed in winding up orders.—When a winding up order has been made by a court, no suit or other legal proceedings shall be continued or commenced against the foreman by a subscriber for the realization of amounts due to him in respect of the chit except with the leave of the court and on such terms as the court may impose.

47. Copy of winding up order to be filed with Registrar.—(1) On the making of a winding up order, it shall be the duty of the petitioner in the winding up proceedings and of the Receiver to file with the Registrar a copy of the order, within one month from the date of the making of the order:

Provided that the Registrar, may, upon application in writing by the petitioner or Receiver, allow, in his discretion, further time not exceeding fifteen days for the filing of any such copy.

(2) On the filing of a copy of the winding up order, the Registrar, shall make an entry thereof in his books relating to the chit and shall notify in the Official Gazette that such an order has been made.

48. Stay of winding up proceedings on insolvency of foreman and transfer of insolvency proceedings.—When during the pendency of the proceedings for the winding up of a chit, the foreman is adjudicated as insolvent or when the foreman is a company, the company has been ordered to be wound up by the Court, the winding up proceedings under this Act shall cease and the distribution of the chit assets shall, subject to the provisions contained in sections 35 and 43, be made by the insolvency court or the court winding up the company, as the case may be.

49. Compensation for frivolous or vexatious application.—(1) When an application presented for winding up a chit is dismissed and the court is satisfied that the application is frivolous or vexatious, the court may award against the applicant such amount not exceeding five hundred rupees, as

it deems reasonable as compensation to the foreman for the expense or injury occasioned to him by the application and the proceedings thereon and such amount may be realised as if the award were a decree.

(2) Compensation under sub-section (1) shall bar any suit from compensation.

50. Right of appeal.—The foreman, any subscriber, the Receiver or any other person aggrieved by a decision or order of the court in proceeding for winding up a chit may, within two months from the date of such decision or order, appeal to the Judicial Commissioner's Court.

51. Limitation.—(1) Where an order refusing to wind up a chit has been made under the Act, the chit shall be deemed to have been under suspension from the date of the presentation of the application to the date of such order in respect of non-prized subscriber, and notwithstanding anything contained in the chit agreement, no non-prized subscriber who was not a defaulter on the date of the presentation of the application for winding up shall be deemed to be defaulter on the date of its dismissal.

(2) Where an order refusing to wind up a chit has been made under this Act, in computing the period of limitation prescribed for any suit or other legal proceedings (other than a suit or an application in respect of which the leave of the court has been obtained) which might have been brought or instituted the period from the date of the presentation of the application to the date of the order refusing to wind up the chit shall be excluded.

(3) Nothing contained in this Act shall affect the right of the subscriber to proceed by suit or application against the foreman personally for the balance, if any, of the amount due to him after the declaration of the final dividend in proceedings for winding up the chit and in computing the period from the date of the presentation of the application for winding up the chit to the date of the declaration of the final dividend shall be excluded.

CHAPTER X

Officers, Inspection and Fees

52. Appointment of Director of Chits, Inspecting Officers, Registrars and Chit Auditors.—(1) The Government may, by notification, appoint a Director of Chits and as many Inspecting Officers and Registrars as may be necessary for the purpose of discharging the duties imposed upon the Director of Chits, the Inspecting Officers and the Registrars by or under this Act or the rules made thereunder.

(2) The Director of Chits may appoint as many Chit Auditors as may be necessary for the purpose of discharging the duties imposed upon the Chit Auditors by or under this Act or the rules made thereunder.

(3) All Inspecting Officers—Registrars and Chit Auditors shall discharge the duties imposed upon them by or under this Act or the rules made thereunder, under the general superintendence and control of the Director of Chits.

(4) If the Registrar is of the opinion that the accounts of any chit are not properly maintained

and that such accounts should be audited, it shall be lawful for him to have such accounts audited by a Chit Auditor and thereupon it shall be the duty of the foreman of the chit concerned to produce before the Chit Auditor all accounts books and other records relating to the chit, to furnish him with such information as may be required and to afford him all such assistance and facilities as may be necessary or reasonable and as may be required in regard to the audit of the accounts of the chit.

(5) The foreman shall pay to the Chit Auditor such fees as may be prescribed for the audit of the accounts of a chit under sub-section (4).

53. Inspection of document in the Registrar's Office.—Any person may on payment of such fees as may be prescribed—

(i) inspect the documents kept by the Registrar and

(ii) obtain a copy or extract of any document to be certified by the Registrar.

54. Levy of fees.—(1) There shall be paid to the Registrar such fees as the Government may, from time to time, prescribe for—

(a) the registration of the bye-laws of a chit under section 3;

(b) the grant of a certificate of commencement under section 7;

(c) filing with the Registrar of the Chit Agreement and copies of documents under sections 11, 20, 21, 30 and 33;

(d) the inspection of documents under section 53;

(e) the certificate, copy of or extract of documents under section 53;

(f) the audit of the accounts of the foreman and the issue of an audit certificate;

(g) such other matters as may appear necessary to give effect to the purposes of this Act;

(h) A table of fees payable under sub-section (1) shall be published in the Official Gazette.

CHAPTER XI

Miscellaneous

55. Appeal.—(1) Any foreman aggrieved by an order of the Registrar may within thirty days of the communication to him of such order appeal to the Director of Chits.

(a) refusing to register the bye-laws of a chit under sub-section (1) of section 3,

(b) refusing to grant a certificate of commencement under sub-section (2) of section 7,

(c) refusing to accept the security under clause (a) of sub-section (1) of section 12 or under section 24; or

(d) refusing to release the property charged by way of security or to order, the release of the cash security or the Government securities under sub-section (6) or sub-section (7) of section 12.

(2) Any foreman or any other person aggrieved by an order of the Registrar under sub-section (1) of section 27 or by an order of an officer empowered

by the Government under sub-section (2) of that section may, within thirty days of the communication to him of such order, appeal to the Director of Chits.

(3) The Director of Chits may, after giving the appellant an opportunity of being heard, pass such orders on the appeal under sub-section (1) or sub-section (2) as he thinks fit.

56. Power of Registrar to condone delay in certain cases.—The Registrar may, in his discretion and upon an application in writing by any foreman made within the period of fourteen days specified in any of the provision of sub-section (3) of section 20, sub-section (2) of section 21, section 30 and section 33 allow to the foreman further time not exceeding fifteen days to file a copy of any document under any of the provisions referred to above.

57. Penalties.—(1) Whoever contravenes or abets the contravention of any of the provisions of sections 3, 4 and 7 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to five hundred rupees or with both.

(2) Any foreman—

(a) who does not file the chit agreement under section 6 or a copy of any document under section 11, sub-section (2) of section 20, sub-section (2) of section 21, section 30 or section 33 within the period specified for such filing or within the further time allowed under section 56 for such filing; or

(b) who contravenes any of the provisions of section 8, sub-section (1) and sub-section (2) of section 12, section 14, section 15, section 16, section 20, section 21, section 22, section 24, sub-section (4) of section 26, section 30, section 36, section 37, section 38 and sub-section (4) of section 52; or

(c) who fails to comply with the requirements of the chit agreement regarding the date, time and place at which the chit is to be drawn;

shall be punishable with fine which may extend to one hundred rupees.

(3) Whoever in any document required by, or for purposes of any of the provisions of this Act wilfully makes a statement false in any material particular knowing it to be false, shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to five hundred rupees or with both.

58. Cognizance of offence.—No court inferior to that of Magistrate of the first class shall try any offence under this Act.

59. Application of fines.—The court imposing any fine under this Act may direct that the whole or any part thereof be applied towards payment of the costs of the proceedings.

60. Power to enter and search any place and to seize documents etc.—(1) A Judicial Magistrate of the first class may, on receiving a report from the Registrar or the Inspecting Officer appointed under sub-section (1) of section 52 that any person con-

ducts or is responsible for the conduct of a chit in any place in contravention of the provisions of this Act, issue a warrant empowering the Registrar or the Inspecting Officer to enter such place with such assistance as he considers necessary and inspect the books, registers, accounts or documents in such place.

(2) On receiving the warrant issued under sub-section (1) the Registrar or the Inspecting Officer may enter the place with such assistance as he considers necessary and inspect the books, registers, accounts or documents in such place and may take to his office for further investigation such books, registers, accounts and documents as he considers necessary:

Provided that if the Registrar or the Inspecting Officer removes from the place any book, register, account or document he shall give to the person in charge of the place a receipt describing the book, register, account or document so removed by him:

Provided further that within twenty four hours of the removal of the books, registers, accounts and documents, from the place the Registrar or the Inspecting Officer shall either return them to the person from whose custody they were removed or produce them in the court of the Magistrate who issued the warrant and such Magistrate may return the books, registers, accounts and documents or any of them to the person from whose custody they were removed by the Registrar or the Inspecting Officer, after taking from such person such a security as the magistrate considers necessary for the production of the books, registers, accounts and documents, when required whether by the Registrar or by the Inspecting Officer or by the court, or may pass such other orders as to their disposal as appear just and convenient to the magistrate.

(3) The Registrar or the Inspecting Officer shall have authority to require any person whose testimony he may require regarding any chit agreement to attend before him or to produce or cause to be produced any document and to examine such person on oath.

(4) The Registrar or the Inspecting Officer may apply for assistance to an officer in charge of a police station and take police officers to accompany and assist the Registrar or the Inspecting Officer in performing his duties under this Act.

61. Payment to be evidenced by document.—All payments in respect of chit whether by the foreman or by the subscriber shall be evidenced by documents in writing.

62. Interest at more than twelve per cent not to be allowed.—No court shall award interest on claims arising under this Act at more than twelve per cent per annum simple interest.

63. Power of court to grant relief in certain cases.—Nothing contained in the foregoing provisions of this Act shall affect the powers vested in a court for granting relief against any of the provisions contained in the chit agreement, if the same be unconscionable or opposed to the provisions of any law.

64. Power to make rules.—(1) The Government may make rules for carrying out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the power, such rules may provide for or regulate —

(a) all matters expressly required or allowed by this Act to be prescribed;

(b) the matter in respect of which provisions shall be made in the bye-laws of a chit and the procedure to be followed in making, registering, altering and abrogating bye-laws, and the conditions to be satisfied prior to such making, registration, alteration or abrogation;

(c) the particulars which every chit agreement shall contain;

(d) the method of valuation of grains by the Registrar in a grain chit, for the purposes of security under section 12;

(e) the restrictions and conditions subject to which and the manner in which, any security given by a foreman under section 18 may be changed or substituted;

(f) the procedure to be followed by the Registrar for the release of security given by the foreman under section 12;

(g) the maintenance of registers and books of accounts by the foreman, the safe custody of the books, papers and documents in the Registrar's office and also for the destruction of such books, papers and documents as need no longer be kept;

(h) the procedure to be followed for the winding up of a chit under Chapter IX; and

(i) the auditing of the balance sheets and profit and loss accounts and the issue of audit certificates.

(3) (a) All rules made under this Act shall be published in the Official Gazette and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(b) All notifications issued under this Act shall, unless are expressed to come into force on a particular day, come into force on the day on which they are published.

(4) All rules made and all notifications issued under this Act shall, as soon as may be after they are made or issued be laid before the Legislative Assembly, Goa, Daman and Diu while it is in session for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which they are so laid or the session immediately following, the Legislative Assembly makes any modification in the rule or notification or decides that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

65. Recovery of amounts due from a foreman. — All amounts due from a foreman to the Registrar or any other officer under this Act by way of any fee shall be recoverable as arrears of land revenue.

66. Act not to apply to certain Chits. — The provisions of this Act shall not apply in respect of —

(1) any chit started before the commencement of this Act, or

(2) any chit amount of which or where two or more chits are started or conducted simultaneously by the same foreman, the aggregate chit amount of which does not exceed one hundred rupees.

67. Power to exempt. — The Government may, by notification, in the Official Gazette, exempt any person or class of persons from all or any of its provisions, subject to such conditions as they deem fit and may cancel or modify any such notification.

68. Notwithstanding anything contained in any law relating to stamp duty a chit agreement, that is an agreement relating to a chit as defined in clause (3) of section 2 of this Act shall bear a stamp duty of rupee one if either such agreement is executed or the chit is conducted in the Union Territory.

69. Repeal and saving. — (1) Any law corresponding to this Act in force in the Union territory immediately before the commencement of this Act, shall stand repealed on such commencement of this Act;

Provided that repeal shall not affect —

(a) (i) the previous operation of the corresponding law or anything done or duly suffered thereunder;

(ii) any right, privilege, obligation or liability acquired, accrued or incurred under the corresponding law; or

(iii) any penalty, forfeiture or punishment incurred in respect of any offence committed against the corresponding law; or

(iv) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed; or

(b) The operation of the corresponding law in respect of chitties started before the commencement of this Act;

(2) Subject to the provisions of sub-section (1) anything done or any action taken, including any appointment or delegation made notification, order, instruction or direction issued, or any rule, regulation or form framed, certificate granted or registration effected under the corresponding law shall be deemed to have been done or taken under this Act and shall continue to have effect accordingly, unless and until superseded by anything done or any action taken under this Act.

70. Power to remove difficulties. — (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions as appear to it to be necessary or expedient for removing the difficulty.

(2) All orders made under sub-section (1) shall, as soon as possible, after they are made, be placed

on the table of the Legislative Assembly, Goa, Daman and Diu, and shall be subject to such modifications by way of amendment or repeal as the Assembly may make either in the same session or in the next session.

Statement and Objections and Reasons

In the recent years, there is a mushroom growth of organizations which conduct Chit Funds. Chit Funds being a popular mode of savings for lower and middle class people, if there is no control over such organizations, there is every likelihood of people being cheated by spurious organizations. The neighbouring States have already enacted Legislations for this purpose. If no Law is brought into force in this territory many spurious organisations, which cannot meet the requirements of Law in those States may start their organizations here and ultimately people of this territory may be cheated. Hence the need for a legislation to control and regulate such organization. The Bill seeks to achieve this object.

Clause 1 — This clause gives the short title, commencement and extent of the Act. The Act will come into force on such date as the Government may by notification appoint. The Government has been empowered to appoint different dates for different areas of the Union territory. Further the Government can enforce the Act as a whole or in part either to the whole of Union territory or such parts as it may decide.

Clause 2 — This is a definition clause under which various terms used in the Act have been defined.

CHAPTER II

Clause 3 — This clause embodies the mandatory provision of prohibiting the starting or conducting any Chit Fund before registration of the bye-laws with the Registrar appointed under clause 2. However clause 65 makes an exemption in regard to chits started before the commencement of this Act and also those chits, the chit amount of which does not exceed Rs. 100/-. The persons contravening the provisions of this clause can be liable for punishment under clause 56.

Clause 4 — This clause prohibits issuing of or publication of any notice, circular etc. containing the terms and conditions of Chit bye-laws of which have not been registered.

Clauses 5, 6, 7, 8 and 9 of the Bill deal with the agreement to be entered by the foreman with the subscriber and other matters connected therewith.

CHAPTER III

This chapter deals with the British Rights and liabilities of the foreman and the procedure he should follow in conducting the chits.

Clause 12 — Under this clause before obtaining a certificate of commencement under clause 7 the foreman has to furnish a security to the satisfaction of Registrar. Until the grant of the certificate of commencement no foreman can commence any draw of the chit. The Registrar who is holding the security by way of trust for the realisation of the chit amount to the subscriber.

Clause 13 — This clause deals with the rights of the foreman. Under this clause the remuneration or

the commission of the foreman has been fixed as 5% maximum of the chit amount.

Clause 14 — Deals with the duties of the foreman.

Under clause 16 prescribed that the foreman should submit a duly audited balance-sheet.

CHAPTER IV

This chapter deals with the rights and liabilities of the non-prized subscribers.

Clause 20 — Under this clause a non-prized subscriber who fails to pay the subscription within the time stipulated in the chit agreement is liable to be removed from the chit. It is further laid down in the clause, the procedure that should be followed by the foreman for such removal.

Clause 21 — Under this clause the procedure to be followed by the foreman for substituting new subscribers in the place of defaulting subscriber whose name has been removed from the chit.

Clause 22 — This clause makes a provision under which the defaulting subscriber can, under certain circumstances recover the amount subscribed by him.

CHAPTER V

This chapter deals with rights and liabilities of the prized subscribers.

Clauses 24 and 25 lay down that the prized subscriber should pay all future subscription in accordance with the chit agreement. In case of failure to pay the foreman should issue a notice demanding payment.

CHAPTER VI

Clause 27 — Under this clause the foreman is prohibited from transferring his right to receive the future subscription from the prized subscribers without the consent of the Registrar.

Clause 28 to 30 deal with the transfer of right by a non-prized subscriber.

CHAPTER VII

Clause 31 deals with the contingency arising out of the death of foreman or his suffering legal infirmity. It provides that the chit may be continued in accordance with the provisions of the chit agreement.

Clause 32 deals with the circumstances under which a chit can be terminated.

Clause 33 to 35 deal with the procedural aspects consequent to termination of a chit.

CHAPTER VIII

This chapter deals with the inspection of documents.

Clause 36 lays down that the foreman shall allow all subscribers (except the prized subscribers) to inspect any of the documents pertaining to the chit.

Clause 37 stipulates that the documents pertaining to a chit should be preserved for period of 6 years from the date of termination of the chit.

Clause 38 deals with inspection of the chit documents by officers appointed under the Act.

CHAPTER IX

This chapter provides for winding up of chits.

Clause 39 provides that the District Court may, under the circumstances stipulate therein wind up a chit.

Clause 40 to 43 deal with the procedural aspects.

Clause 44 deals with the powers of the court.

Clause 45 provides that assets of the chit shall vest in the court after winding up of chit. This is to safeguard the interests of the subscribers.

Clause 46 provides that no suit or legal proceedings shall lie against the foreman after the winding up of the chit except with the permission with the court.

Clause 50 provides for appeal to the Judicial Commissioner's Court from an order of the District Court passed in proceedings for winding up.

Clause 51 provides limitation.

CHAPTER X

This chapter deals with appointment of officers for implementing the provision of the Act.

Clause 52 deals with appointment of certain authorities for the implementation of the Act.

Clause 54 provides for levy of fees. This fees are for the services rendered and will fetch a revenue to the Government.

CHAPTER XI

This chapter contains clauses dealing with appeal, penalties etc.

Under clause 55 a provision has been made for appeals from the preferring appeals for the orders passed by the Registrar. The appellate authority will be the Director of Chits.

Clause 56 empowers the Registrar to condone delay in certain cases.

Clause 57 is an important clause of the Bill which makes a provision for a punishment of persons contravening mandatory provisions of the Act.

Under clause 58 only Magistrates of the 1st Class have been empowered to take cognizance of the offences under the Act.

Under clause 60 Magistrate of 1st Class has been empowered to order search of any place, to seize documents when a report is made to him that any person is conducting the chit in contravention of the provisions of the Act.

Clause 64 empowers the Government to frame Rules for carrying out the purposes of the Act. This clause is necessary as it would not be possible to make a provision for all procedural matter in the Act itself. It has been provided for placing the Rules so made on the table of the House as soon as they are made.

Clause 65 provides that all dues recoverable from the foreman may be recovered as arrears of Land Revenue.

Clause 66 exempts certain classes of chits from the purview of the Act.

Clause 67 empowers the Government to exempt such chits which the Government may consider necessary for exempting.

Clause 69 is a repeal clause under which any law which deals with the matters provided for under this Act.

Clause 70 is a removal of difficulties.

Clause under which the Government can if it faces any difficulty while implementing the Act, it can remove such difficulty by passing suitable order.

Financial Memorandum

Clause 51 of the Bill empowers the Government to appoint the Director of Chits, Inspecting Officers, Registrars and Chit Auditors for the purpose of executing the provisions of the Act.

The financial commitment of the Bill to the Government will be only on the cost of this staff. Under Section 56 of the said Bill penalties can be imposed which is a source of revenue to the Government. No estimate of the net cost is possible.

Delegated Legislation Memorandum

Clause 63 of the Bill gives power to this Government to make rules for carrying out all or any purposes of this Act. These powers are of a normal character providing only for the details of procedure for facilitating the working of this Act.

Panaji,

27th November, 1972.

PRATAPSING RANE

Minister for Law and Justice

Assembly Hall,

Panaji,

30th November, 1972.

B. M. MASURKAR

Secretary to the Legislative

Assembly of Goa, Daman and Diu